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## THE MAIN PROBLEMS AND DEVELOPMENT DIRECTIONS OF NONTRADITIONAL BANKING SERVICES

Modern commercial banks are multifunction establishments, which are engaged in practically all types of operations, related to maintenance of economic activity of economic subjects.

Except for traditional banking transactions, such as a credit, deposit, calculative, investment, security-related and currency operations, banks give a number of additional nontraditional services. It is predefined by the necessity of expansion of sphere of activity, increase of competitiveness of banks, growth of profits, and of clients' necessities satisfaction improvement.

Nontraditional banking transactions include: leasing, factoring, forfeiting, buying and selling of securities after the requests of clients, placing of capital issue, delivery by the bank of guarantees, agent, trust, confiding services and the same.

An origin and subsequent development of nontraditional banking transactions and services is predefined by many reasons. In particular, it:

- decline of traditional banking transactions and services profitability level;
- competition sharpening between banks and nonbanking organizations by financial and credit establishments, and also between commercial banks;
- the customers service upgrading necessity;
- bank profits diversification, in particular by an increasing the part of noninterest-bearing profits, including commission profits;
- commercial bank liquidity and solvency increase necessity;
- risks diminishing necessity, traditional transactions linked with realization and by the traditional services grant;
- bringing in new clients with the purpose of expansion and perfection of commercial bank resource structure base.

In the list of operations of the Ukrainian banks in modern terms nontraditional operations occupy insignificant part. Low demand on most nontraditional banking services is explained by that they are only on the stage of forming. Principal reasons of such situation are insolvency of banks to give all spectrum of services and low demand of clients; imperfection of the Ukrainian legislation and absence of the proper legislative base, what would regulate bank activity in the proper spheres; insufficiency of resources and absence of wide connections of most banks with other credit-financial establishments; high riskiness of services separate types.

Active development and expansion of banks activity in the field of nontraditional services requires the lineation of priority directions introductions of

new services, among which it is possible to mark: trust operations for physical and legal persons, consultative and informative, intermediary and agent services. Also factoring and forfeiting services need expansion.

Directions of nontraditional banking services development market are considered can be instrumental in expansion of commercial banks activity sphere in Ukraine, their adaptations to the new terms of market growing requirements of clientele in valuable complex of services, adequate to the requirements of the economy modern state.

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